

Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 19782 230225Z
ACTION TRSE-00

INFO OCT-01 EA-07 ISO-00 PA-01 PRS-01 IO-13 H-01 L-03
AID-05 CIAE-00 COME-00 EB-07 FRB-03 INR-07 NSAE-00
USIA-06 XMB-02 OPIC-03 SP-02 CIEP-01 LAB-04 SIL-01
OMB-01 NSC-05 SS-15 STR-04 CEA-01 NEA-10 /104 W
----- 100373 /14

R 230130Z DEC 76
FM AMEMBASSY MANILA
TO SECSTATE WASHDC 4197

LIMITED OFFICIAL USE MANILA 19782

USADB

FOR NAC AGENCIES

PASS TREASURY FOR ZINMAN

E O 11652: ADS, DECLAS 3/23/77
TAGS: EAID, EFIN
SUBJ: ADB CO-FINANCING AGREEMENT WITH NORWAY

1. ADB AND GOVERNMENT OF NORWAY HAVE REACHED TENTATIVE
AGREEMENT ON PROPOSED ARRANGEMENTS TO FACILITATE CO-FINANCING
IN PROJECTS OF MUTUAL INTEREST TO BANK AND NORWAY. AGREEMENT
IS SIMILAR TO THOSE ALREADY IN EFFECT BETWEEN NORWAY AND
AFDB AND BETWEEN NORWAY AND IBRD.

2. NORWEGIAN FUNDS WOULD BE MADE AVAILABLE ON UNTIED GRANT
BASIS. ASIDE FROM FINANCING OF FOREX COST OF PROJECTS,
FUNDS MIGHT ALSO BE USED FOR LOCAL CURRENCY FINANCING, SUCH
FINANCING TO BE DETERMINED ON CASE-BY-CASE BASIS. AMOUNT
OF FUNDS TO BE MADE AVAILABLE WOULD DEPEND ON ANNUAL BUDGET
APPROPRIATIONS; NO APPROPRIATION TO BE AVAILABLE BEFORE
JANUARY 1, 1978.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 19782 230225Z

3. PRIORITY IN FINANCING WOULD BE GIVEN TO CO-FINANCING
PROJECTS IN LESS DEVELOPED DMC'S, PARTICULARLY THOSE
CLASSIFIED BY UN AS QUOTE LEAST DEVELOPED UNQUOTE. NO
CO-FINANCING ENVISAGED IN RELATIVELY HIGH-INCOME DMC'S.
SECTORS ELIGIBLE FOR CO-FINANCING ARE RURAL DEVELOPMENT,

SMALL OR AGRO-INDUSTRIES, INFRASTRUCTURE, URBAN DEVELOPMENT AND REHABILITATION, EDUCATION, POPULATION AND NUTRITION.

4. NORWEGIAN GOVERNMENT PREFERS JOINT FINANCING OR PARTICIPATION IN BANK LOANS AS OPPOSED TO PARALLEL FINANCING WHICH ENCOUNTERS TECHNICAL AND ADMINISTRATIVE LIMITATIONS OF NORWEGIAN AID MACHINERY. UNDER JOINT FINANCING, NORWAY AND BANK WOULD EACH PROVIDE FINANCING DIRECTLY TO RECIPIENT COUNTRY, BUT WOULD ENTER INTO JOINT FINANCING ARRANGEMENT PROVIDING INTER ALIA FOR COMMON PROJECT DESCRIPTION, ALLOCATION OF EXPENDITURES TO VARIOUS PROJECT COMPONENTS, COMMON DISBURSEMENT AND PROCUREMENT PROCEDURES. PARTICIPATION BY NORWAY IN BANK LOAN WOULD BE SIMILAR TO NORMAL PARTICIPATION AGREEMENTS WITH FINANCIAL INSTITUTIONS WHICH PURCHASE PORTIONS OF BANK LOANS. EACH CO-FINANCING PROPOSAL WOULD BE SUBMITTED TO ADB BOARD OF DIRECTORS FOR CONSIDERATION IN ACCORD WITH BANK'S NORMAL PROCEDURES.

5. NORWEGIAN GOVERNMENT AGREES TO ADHERE TO BANK'S GUIDELINES ON PROCUREMENT.

6. NORWEGIAN GOVERNMENT CONFIRMS THAT PROPOSED AGREEMENT WOULD NOT PREJUDICE ITS CONTRIBUTION TO BANK'S ORDINARY CAPITAL RESOURCES OR SPECIAL FUNDS RESOURCES.

7. GIVEN CONCESSIONAL NATURE OF NORWEGIAN FUNDS AND RESOURCE CONSTRAINTS OF BANK, ESPECIALLY WITH REGARD TO SPECIAL FUNDS, PROPOSED ARRANGEMENT DEEMED UNDOUBTEDLY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MANILA 19782 230225Z

BENEFICIAL TO BOTH BANK AND ITS DMC'S. AS AN AGREEMENT BETWEEN BANK AND A MEMBER COUNTRY, PROPOSAL DOES NOT REQUIRE ACTION BY BANK'S BOARD OF GOVERNORS. IN ABSENCE OF OBJECTION OR REQUEST FOR DISCUSSION BY COB JANUARY 10, 1977, AGREEMENT WILL BE DEEMED TO HAVE BEEN APPROVED BY ADB BOARD OF DIRECTORS. USADB DOES NOT PLAN TO OBJECT. ADB DOC. R138-76 DESCRIBING PROPOSED AGREEMENT POUCHES ADDRESSEES DECEMBER 22.
SULLIVAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENTS, DEVELOPMENT LOANS, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 23 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: izenbei0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976MANILA19782
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760470-0768
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761217/aaaaaoooh.tel
Line Count: 106
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: izenbei0
Review Comment: n/a
Review Content Flags:
Review Date: 02 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 JUN 2004 by buchant0>; APPROVED <30 SEP 2004 by izenbei0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ADB CO-FINANCING AGREEMENT WITH NORWAY
TAGS: EAID, EFIN, RP, NO, ADB
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006